

security OR ON STATEMENTS OF UNCERTIFICATED SECURITIES SENT PURSUANT TO § 8-408.

(3) With respect to registration of transfer, PLEDGE OR RELEASE (Subtitle 4 of this title), "issuer" means a person on whose behalf transfer books are maintained.

8-202.

(1) Even against a purchaser for value and without notice, the terms of a security include:

(A) IF THE SECURITY IS CERTIFICATED, those stated on the security; [and]

(B) IF THE SECURITY IS UNCERTIFICATED, THOSE CONTAINED IN THE INITIAL TRANSACTION STATEMENT SENT TO THE PURCHASER, OR IF HIS INTEREST IS TRANSFERRED TO HIM OTHER THAN BY REGISTRATION OF TRANSFER, PLEDGE OR RELEASE, THE INITIAL TRANSACTION STATEMENT SENT TO THE REGISTERED OWNER OR REGISTERED PLEDGEE; AND

(C) [those] THOSE made part of the security by reference, ON THE CERTIFICATED SECURITY OR IN THE INITIAL TRANSACTION STATEMENT, to another instrument, indenture or document or to a constitution, statute, ordinance, rule, regulation, order or the like, to the extent that the terms [so] referred to do not conflict with the [stated] terms STATED ON THE CERTIFICATED SECURITY OR CONTAINED IN THE STATEMENT. [Such a] A reference UNDER THIS PARAGRAPH does not of itself charge a purchaser for value with notice of a defect going to the validity of the security even though the CERTIFICATED security OR STATEMENT expressly states that a person accepting it admits [such] notice.

(2) [(a)] A CERTIFICATED security IN THE HANDS OF A PURCHASER FOR VALUE OR AN UNCERTIFICATED SECURITY AS TO WHICH AN INITIAL TRANSACTION STATEMENT HAS BEEN SENT TO A PURCHASER FOR VALUE, other than [one] A SECURITY issued by a government or governmental agency or unit even though issued with a defect going to its validity is valid [in the hands of a] WITH RESPECT TO THE purchaser [for value and] IF HE IS without notice of the particular defect unless the defect involves a violation of constitutional provisions in which case the security is valid [in the hands of] WITH RESPECT TO a subsequent purchaser for value and without notice of the defect.

[(b) The rule of subparagraph (a)] THIS SUBSECTION applies to an issuer [which] THAT is a government or governmental agency or unit only if either there has been substantial compliance with the legal requirements governing the issue or the issuer has received a substantial consideration for the issue as a whole or for the particular security and a stated purpose of the issue is one for which the issuer has power to borrow money or issue the security.